BUDGET RESOLUTION/Less Tax Relief, Sense of Senate Statement on Medicare

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 2000-2009 . . . S.Con. Res. 20. Domenici motion to table the Kennedy amendment No. 177.

ACTION: MOTION TO TABLE AGREED TO, 53-46

SYNOPSIS: As reported, S.Con. Res. 20, the Senate Concurrent Budget Resolution for fiscal years 2000-2009: will cut the debt held by the public (money that the Federal Government owes to creditors other than itself) in half over 10 years; will fully fund Medicare (all of the President's proposed \$9 billion in Medicare cuts were rejected; as a result, this budget will allow \$20.4 billion more in Medicare spending over the next 10 years); will save the entire \$1.8 trillion in Social Security surpluses over the next 10 years for Social Security; will provide for \$778 billion in net tax relief over the next 10 years (in contrast, the President's budget would increase the tax burden by \$96 billion net over 10 years), and will adhere to the spending restraints (discretionary spending caps and pay-go provisions) of the bipartisan budget agreement as enacted in the Balanced Budget Act of 1997 and the Taxpayer Reform Act of 1997 (the President's proposed budget, in contrast, would dramatically increase spending in violation of that bipartisan agreement, and would result in \$2.2 trillion more in total Federal debt at the end of 10 years than proposed in this Senate budget).

The Kennedy amendment would cut the tax relief in the bill by \$320 billion. The amendment would also express the sense of the Senate that the increased taxes that would be collected would be "reserved to strengthen and extend the solvency of the Medicare Program."

After debate, Senator Domenici moved to table the Kennedy amendment. Generally, those favoring the motion to table opposed the amendment; those opposing the motion to table favored the amendment.

Those favoring the motion to table contended:

(See other side)							
YEAS (53)			NAYS (46)			NOT VOTING (1)	
Republicans Democrats		Republicans	Democrats		Republicans	Democrats	
(53 or 98%) (0 or		(0 or 0%)	(1 or 2%)	(45 or 100%)		(1)	(0)
Abraham Allard Ashcroft Bennett Bond Brownback Bunning Burns Campbell Chafee Cochran Collins Coverdell Craig Crapo DeWine Domenici Enzi Fitzgerald Frist Gorton Gramm Grams Grassley Gregg Hagel Hatch	Helms Hutchinson Hutchison Inhofe Jeffords Kyl Lott Mack McCain McConnell Murkowski Nickles Roberts Roth Santorum Sessions Shelby Smith, Bob Smith, Gordon Snowe Stevens Thomas Thompson Thurmond Voinovich Warner		Specter	Akaka Baucus Bayh Biden Bingaman Boxer Breaux Bryan Byrd Cleland Conrad Daschle Dodd Dorgan Durbin Edwards Feingold Feinstein Graham Harkin Hollings Inouye Johnson	Kennedy Kerrey Kerry Kohl Landrieu Lautenberg Leahy Levin Lieberman Lincoln Mikulski Moynihan Murray Reed Reid Robb Rockefeller Sarbanes Schumer Torricelli Wellstone Wyden	EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	ily Absent nced Yea nced Nay Yea

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In effect, we have already voted on this amendment. The Conrad amendment would have had essentially the same effect as the Kennedy amendment. It would have cut tax relief by \$320 billion for the ostensible purpose of using general tax funds to prop up the Medicare Part A trust fund. The Kennedy amendment is drafted differently than the Conrad amendment in order to avoid a Budget Act point of order against it, but it suffers from the same defects. Medicare cannot be saved by giving it Treasury note IOUs. That approach is like giving Medicare a post-dated check that promises to pay a certain amount of money in the future but that does nothing to fix the program's structural problems that are going to cause it to need huge infusions of money in the future. All of the policy arguments that applied against the Conrad amendment apply against the Kennedy amendment. The Conrad amendment did not have three-fifths majority support, nor did it have majority support. The Kennedy amendment obviously will not have majority support either. We urge its rejection, and we urge Senators to join us later this year in finding real, bipartisan solutions to Medicare's problems.

Those opposing the motion to table contended:

This Republican budget found room to offer nearly \$800 billion in tax breaks for wealthy Americans, but it did nothing whatsoever for the Medicare Program. We cannot imagine a worse set of priorities. Tens of millions of poor, elderly Americans rely on Medicare. Without it, their very lives would be at stake. Medicare is scheduled to go broke in the year 2008. If we pass this amendment, even without reforms, we will be able to preserve Medicare until 2020. We debated this issue extensively on an earlier amendment (see vote No. 61). Unfortunately, that amendment was subject to a Budget Act point of order. We have therefore offered this amendment in order to get a clearer vote on the proposition, and, we hope, to pick up the few additional votes we need to get majority support. We urge Senators not to vote to table the Kennedy amendment.